

UPPER SURFACE CREEK DOMESTIC
WATER USERS ASSOCIATION

Board of Directors Meeting

January 28, 2019

The meeting was called to order at 6:34 pm. Board members present were Deb Christner, Bryan Klaseen, Ellis Fritchman, Brad Stratman, Dennis Grunkemeyer, Bill Elkins, and Bob Halley. Also present was Chris McAnany, Dayton Myers, and Amber McPherson.

Minutes:

MOVED BY Bryan Klaseen to accept the December 4, 2018 and December 11, 2018 Board Meeting Minutes as presented.

SECONDED BY Dennis Grunkemeyer

MOTION CARRIED with no opposing votes.

Financial Report:

The Financial Reports were reviewed and discussed for December 2018.

MOVED BY Bob Halley to approve financial statements as is.

SECONDED BY Bryan Klaseen

MOTION CARRIED with no opposing votes.

EOM Report:

The End of Month report data was received. Gallons used for December 2018 was 200,000 gallons less than December 2017. Dayton mentioned there were a couple of leaks in January that were fixed.

Attorney Presentation:

Chris McAnany is an attorney from Dufford, Waldeck, Milburn, & Krohn LLP. Chris has been an attorney since 1993 and has extensive experience in Special Districts, Public Entity development and related work as well as litigation. Chris was invited by the board to give insight into Special Districts and other operational options would benefit USCDWUA. In becoming a Special District USCDWUA would essentially become a governmental entity subject to all government rules and regulations. Chris went through the steps of becoming a Special District from Service Plan, County Hearings, notices to all properties, etc. There are times that Special Districts make sense when a small company is experiencing huge growth. The fees involved in becoming a special district is costly. We would have to have a full audit every year. Reasons to form a Special District would be to take advantage of Federal and State Grant money available, reduced personal liability, and being able to participate in a larger water related company. Chris then suggested we update our By-Laws and Operation Procedures so we do have protections without the cost of becoming a governmental entity. Chris also suggested we work in getting steps in place for the future when becoming a Special District would make more sense. Chris departed at 7:37 pm.

By-Laws:

After Chris left the Board discussed the Pros and Cons of what the attorney presented. It was agreed that a Special District was not necessary at this time. However, updating the By-Laws and having a clear operation procedure would be in the best interest.

MOVED BY Dennis Grunkemeyer to have Chris McAnany update the By-Laws to present to the Board.

SECONDED BY Bob Halley

MOTION CARRIED with no opposing votes.

US Bank Renewal:

The Board was presented with the renewal options from US Bank. Deb brought up that Commercial Loans are at 6%-6½%. The Board agreed we should at least check with the Bank of Colorado and see where their loans are at.

PVC Pipe Finder:

GMWCD is still looking at purchasing the PVC Pipe Finder. They are working on a grant for half the purchase price and then USCDWUA, the town of Cedaredge, and Colby Water would split the remainder with GMWCD. The price would only be about \$2,000 at the most. GMWCD will have a demonstration on how it works before they purchase it.

Mobile Home Park on T-50:

The property on T-50 Rd has 2 fifth wheels on it. The one fifth wheel is vacant and is in the process of being sold. The other fifth wheel comes and goes from Denver. Our By-Laws say only one dwelling per tap and a dwelling is considered a kitchen, bathroom, and bedroom. The county says 3 fifth wheels is equivalent to a 3-bedroom house and the property has a septic system to support a 3-bedroom house. This is something that needs to be addressed in the updated By-Laws due to all the “tiny house living” that is trending.

Backhoe Proposal:

Benson Brothers had the best price on a backhoe. The price before trade in is \$58,744 including tax. The trade in for the old backhoe is \$13,000 which is \$45,744 for the final total on the Backhoe. It’s a 2012 Backhoe only 3,300 hours and tight and everything works great. Much better than the old one. MOVED BY Dennis Grunkemeyer to purchase the Backhoe from Benson Brothers.
SECONDED BY Bob Halley
MOTION CARRIED with no opposing votes.

Old Business:

Well Pump Testing: It was decided to try the pump testing in the Spring of 2019. Well can stay as is.
Alarm for Water Tanks: Mountain Peaks Control Systems wants to look at tanks when snow is gone.
Mapping by Dan: Need to finish; BOD agreed March 1 as the deadline.
Filter Tech: Still working on solutions and in the spring will try UV Pilot testing
Easements: Dayton is talking to both parties for easements on Rimrock Rd and 2550 Rd. Both Parties have maps and information on exactly what USCDWUA wants to do.

Meeting adjourned at 8:42 pm with no other business.

Respectfully Submitted:

Amber McPherson, Secretary-Treasurer